

CORPORATION FOR PUBLIC BROADCASTING
AUTHORIZATION

MAY 8 (legislative day, APRIL 30), 1984.—Ordered to be printed

Mr. PACKWOOD, from the Committee on Commerce, Science and Transportation, submitted the following

REPORT

[To accompany S. 2436]

The Committee on Commerce, Science, and Transportation, to which was referred the bill (S. 2436) to authorize appropriations of funds for activities of the Corporation for Public Broadcasting, and for other purposes, having considered the same, reports favorably thereon with an amendment in the nature of a substitute and recommends that the bill do pass.

PURPOSE OF BILL

S. 2436, as reported, would authorize appropriations for the operations of the Corporation for Public Broadcasting (CPB) for fiscal years 1987, 1988, and 1989, and would authorize appropriations for the Public Telecommunications Facilities Program for fiscal years 1985, 1986, and 1987.

BACKGROUND AND NEEDS

The CPB is a private, nonprofit corporation organized under the laws of the District of Columbia. In 1967, Congress authorized its establishment to foster the growth and development of high-quality programs for and by public radio and television broadcasters (Public Law 90-129). CPB is to act as the public trustee for funds appropriated pursuant to the Public Broadcasting Act of 1967, as amended. CPB's responsibilities include the full development of public telecommunications services for the American people while providing a "heat shield" against undue interference or control of programs by the government or any other source of funds or services. CPB is the principal entity accountable to the people through the Congress for the prudent expenditure of appropriated funds and the public interest privileges

made available to public broadcasting entities pursuant to the Communications Act of 1934.

The Public Telecommunications Facilities Program provides grants for broadcast equipment and other telecommunications "hardware." This program is administered by the National Telecommunications and Information Administration (NTIA) of the Department of Commerce.

In 1975, Congress agreed to appropriate funds for CPB operations 2 years in advance of their use to allow long-range program development and to provide an added measure of insulation from Federal control over or interference with program decisions (Public Law 94-192). In 1978 and in 1981, Congress reauthorized appropriations for CPB for 3 additional fiscal years (Public Law 95-567; Public Law 97-35) and made substantial changes in the law to improve service to the public and ensure accountability of public funds.

The 1981 reauthorization legislation curtailed Federal support for public broadcasting in view of overall Federal budget constraints. At the same time, Congress sought to stimulate alternatives to Federal funding and allowed public broadcasting stations greater freedom to engage in commercial ventures for support. The 1981 authorization also established the Temporary Commission on Alternative Financing to explore financing alternatives for public broadcasting.

Based upon Committee hearings and on the findings of the Temporary Commission, the Committee believes that alternative financing mechanisms have not developed to the point where they can replace or substantially supplement Federal support for public broadcasting. Thus, S. 2436 provides authorization levels that continue the trend established in 1978 and that are substantially higher than those provided by the 1981 legislation.

LEGISLATIVE HISTORY

S. 2436 was introduced by Senator Goldwater (with Senators Stevens, Hollings, Inouye, and Ford) on March 19, 1984. The Subcommittee on Communications held a hearing on S. 2436 on March 26, 1984. The Committee has considered all views presented in recommending the legislation reported herein.

ESTIMATED COSTS

In accordance with paragraph 11(a) of rule XXVI of the Standing Rules of the Senate and section 403 of the Congressional Budget Act of 1974, the Committee provides the following cost estimate, prepared by the Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., April 18, 1984.

HON. BOB PACKWOOD,
*Chairman, Committee on Commerce, Science, and Transportation,
U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed S. 2436, a bill to authorize appropriations for the Corporation for Public Broadcasting, and for other purposes, as ordered reported

by the Senate Committee on Commerce, Science, and Transportation on April 10, 1984.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

RUDOLPH G. PENNER,
Director.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: S. 2436.
2. Bill title: To authorize appropriations for the Corporation for Public Broadcasting, and for other purposes.
3. Bill status: As ordered reported by the Senate Committee on Commerce, Science, and Transportation, on April 10, 1984.
4. Bill purpose: This bill authorizes appropriations for the public telecommunications facilities in fiscal years 1985 through 1987 and for the Corporation for Public Broadcasting in fiscal years 1987 through 1989. This bill is subject to subsequent appropriations action.
5. Estimated cost to the Federal Government:

[By fiscal year, in millions of dollars]

	1985	1986	1987	1988	1989
Public telecommunications facilities:					
Authorization level	50	53	56	...	...
Outlays	5	35	47	49	17
Corporation for Public Broadcasting:					
Authorization level .....	...	...	238	253	270
Outlays .....	...	...	238	253	270

Note: The costs of this bill fall in function 500.

Basis of Estimate: The authorization levels for all years are stated in this bill. Full appropriation of the authorization levels is assumed in this estimate. Outlays are based on historical spendout rates.

6. Estimated cost to State and local governments: The budgets of State and local governments would most likely not be affected directly by the enactment of this bill.

7. Estimate comparison: None.

8. Previous CBO estimate: None.

9. Estimate prepared by: Stacey Sheffrin.

10. Estimated approved by James L. Blum, Assistant Director for Budget Analysis.

REGULATORY IMPACT STATEMENT

In accordance with paragraph 11(b) of Rule XXVI of the Standing Rules of the Senate, the Committee provides the following evaluation of the regulatory impact of the legislation, as reported:

The Public Telecommunications Facilities Program is reauthorized for 3 additional fiscal years. Section 2 of S. 2436 strikes the first sentence of section 393(c) of the Communications Act of 1934, which directs that not less than 75 percent of program funds shall be available for new public telecommunications facilities that will reach unserved areas. The existing statutory criteria for the approval of grant

applications are unchanged, and elimination of the 75 percent allocation will have minimal regulatory impact.

Section 3 of S. 2436 reauthorizes funds for the CPB, a nonprofit private corporation. Because the Corporation is not an agency of the Federal Government, reauthorization does not have a regulatory impact.

SECTION-BY-SECTION ANALYSIS

SECTION 1

Section 1 amends section 391 of the act to reauthorize the Public Telecommunications Facilities Program for 3 additional fiscal years. S. 2436 authorizes \$50 million for fiscal year 1985, \$53 million for fiscal year 1986, and \$56 million for fiscal year 1987.

These authorization levels are substantially higher than current amounts. Increased funding for the program should attract larger numbers of grant applications, and the costs of administering this program may rise as a result. The Committee notes that the NTIA has the discretion under section 391 of the act to use program funds to cover the cost of administering the program's provisions. In exercising such discretion, the NTIA should consider restraints upon its own budget and whether use of program funds for this purpose would significantly reduce the pool of funds available for distribution, or would otherwise significantly impair the objectives of the program.

SECTION 2

Section 2 amends section 393(c) of the act by striking the first sentence, which provides that not less than 75 percent of program funds shall be available for new public telecommunications facilities that will reach unserved areas. In striking this 75 percent allocation guideline, the Committee intends that the administrators of the Program have the flexibility to use a greater proportion of funds for replacement or rebuilding of equipment in existing public telecommunications facilities. The release of additional funds for this purpose will help prevent service to the public from being disrupted by failures or breakdowns in aging equipment.

In approving grants, the NTIA shall continue to follow the criteria set forth in section 393(b) of the act, which remain unchanged by this legislation.

SECTION 3

Section 3 amends section 396(k)(1)(C) of the act to reauthorize appropriations for the operations of CPB for 3 additional fiscal years. S. 2436 authorizes \$238 million for fiscal year 1987, \$253 million for fiscal year 1988, and \$270 million for fiscal year 1989.

These authorization levels are substantially higher than those authorized by the 1981 legislation. The increase in authorization levels reflects the Committee's view that Federal support for public broadcasting must be strengthened to ensure the ongoing health of the system.

The allocation formula for CPB operations remains unchanged. (This formula was adopted in 1981 and is set forth in section 396(k)(3) of the act.)

This formula sets aside certain funds for program production and acquisition. The act provides that a "substantial amount" of these funds are reserved for distribution to independent producers and production entities. During the course of the Committee's consideration of S. 2436, a number of independent producers urged the Committee to adopt an amendment to the act to provide that a specific percentage of program funds be set aside for independent producers. In 1978, when the reservation for independent producers was enacted, and again in 1981, Congress did not set aside a specific percentage of funds for this purpose, to preserve discretion in the administration of CPB funds.

The Committee has again decided not to set a specific percentage for the funds that are to be reserved for independent producers. By forgoing this amendment, however, the Committee in no way lessens its commitment to independent producers, who are vital to the diversity of public broadcasting programming. The Committee believes that the current statutory requirement in section 396(k) (3) (B) (i) of the act is an important component of the overall funding formula, and that CPB and the public broadcasting stations must continue to work to ensure the full participation of independent producers in public broadcasting.

The Committee notes that CPB and representatives of the independent producers have held a series of meetings on concerns regarding CPB's program fund. As a result of those meetings, the CPB Board approved several clarifications of program fund procedures. Procedures that were clarified included the definition of independent producer, the use of panels of outside experts for the evaluation of program proposals, and support for minority programs and producers. Finally, CPB has agreed to formalize discussions with independent producers by scheduling at least three meetings per year with representatives of the independent producers and the program fund.

The Committee expects that revisions to the panel process will continue to receive special attention. The Committee recognizes that the panel process provides independent producers with an important means of participation in program development. Panel members should be mutually accepted to CPB and the independent producers, and should be representative of the public broadcasting community. The panel process should provide mechanisms whereby the panels can consider proposals that have been rejected by staff. Furthermore, producers whose proposals have been rejected by the staff or by the panels should receive written reasons for the rejection, if requested.

The Committee approves the decision to schedule regular meetings between the fund and the independent producers, and believes that good faith negotiations among the interested parties is consistent with Congressional intent. Ongoing meetings between the program fund and representatives of independent producers will provide a structure whereby the Committee can be alerted to problems in the procedures used to allocate Federal funds for public broadcasting programming. The Committee will monitor CPB's progress in achieving the desired goals.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill, as re-

ported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new material is printed in italic, existing law in which no change is proposed is shown in roman) :

THE COMMUNICATIONS ACT OF 1934

Section 391 of that Act

SEC. 391. There are authorized to be appropriated \$40,000,000 for each of the fiscal years 1979, 1980, and 1981, \$20,000,000 for fiscal year 1982, \$15,000,000 for fiscal year 1983, [and] \$12,000,000 for fiscal year 1984, *\$50,000,000 for fiscal year 1985, \$53,000,000 for fiscal year 1986, and \$56,000,000 for fiscal year 1987*, to be used by the Secretary of Commerce to assist in the planning and construction of public telecommunications facilities as provided in this subpart. Sums appropriated under this subpart for any fiscal year shall remain available until expended for payment of grants for projects for which applications approved by the Secretary pursuant to this subpart have been submitted within such fiscal year. Sums appropriated under this subpart may be used by the Secretary to cover the cost of administering the provisions of this subpart.

Section 393 of that Act

SEC. 393. (a)-(b) * * *

(c) [Of the funds appropriated pursuant to section 391 for any fiscal year, not less than 75 percent shall be available to extend delivery of public telecommunications services to areas not receiving such services through grants for facilities of new and existing public telecommunications entities, and preoperational expenses associated with such facilities.] In choosing among applicants for grants, the Secretary shall compare the advantages of alternate technologies on the basis of costs and benefits.

(d) * * *

Section 396 of that Act

SEC. 396. (a)-(j) * * *

(k) (1) (A)-(B) * * *

(C) There is authorized to be appropriated to the Fund, for each of the fiscal years 1981, 1982, 1983, 1984, 1985, [and 1986, an amount] *1986, 1987, 1988, and 1989, an amount* equal to 50 percent of the total amount of non-Federal financial support received by public broadcasting entities during the fiscal year second preceding each such fiscal year, except that the amount so appropriated shall not exceed \$180,000,000 for fiscal year 1981, \$200,000,000 for fiscal year 1982, \$220,000,000 for fiscal year 1983, \$145,000,000 for fiscal year 1984, \$153,000,000 for fiscal year 1985, [and] \$162,000,000 for fiscal year 1986, *\$238,000,000 for fiscal year 1987, \$253,000,000 for fiscal year 1988, and \$270,000,000 for fiscal year 1989.*

(D) * * *

(2)-(9) * * *

(1) * * *

THE UNIVERSITY OF CHICAGO
DIVISION OF THE PHYSICAL SCIENCES
DEPARTMENT OF CHEMISTRY

PROCEEDINGS OF THE

MEETING OF THE
COMMISSION ON THE STRUCTURE OF
THE ATOM

HELD AT THE UNIVERSITY OF CHICAGO
FROM JULY 10 TO JULY 15, 1933

EDITED BY
ROBERT A. FESHBACH

